

## **OVERVIEW OF COMPENSATION BOARD FY24 BUDGET PRIORITIES AND POLICIES MAY 1, 2023**

*A number of amendments to the budget for FY24 impacting funding to the Compensation Board for constitutional officers were proposed by Governor Youngkin and by legislators and legislative committees, and approved by the House and Senate during the regular 2023 General Assembly session. However, final action by the 2023 General Assembly resulted in the approval of a "skinny" budget that included minimal amendments to the existing budget for FY24.*

*While the budget conference committee has indicated its intent to continue to work on reaching an agreement for further amendments to the existing budget for FY24, Compensation Board budget action has been taken based upon the enacted budget at this time, with the following priorities and policies approved accordingly. Should a special session be called and amendments to the budget for FY24 be approved by the General Assembly and Governor, the Compensation Board will amend FY24 budgets and provide updates to this document for FY24 accordingly.*

### **New Positions, FY24**

- **New Positions:** No additional positions have been approved by the 2023 General Assembly for FY24 for funding of positions due under staffing standards for any constitutional offices, and there are no new jail construction or expansion projects requiring added staffing scheduled for completion in FY24.

Due to the recent impact on workload data of the pandemic and a freeze on the position reallocation policy in FY23, no constitutional officer programs have funded positions available for reallocation in FY24, except for emergency corrections positions that are reallocated annually based upon changes in jail inmate populations. Based on a significant and sustained reduction in jail populations and corrections staffing standards for jail overcrowding, a total of 18 emergency corrections positions will be removed and reallocated in FY24, effective July 1, 2023.

### **Permanent Salaries, FY24**

- **FY24 Salaries:** The FY24 budget provided May 1, 2023, provides the base salary amounts approved for FY24, effective July 1, 2023.
  - These amounts **DO** include across-the-board percentage-based increases approved by the 2023 General Assembly to be provided in the base salaries on July 1, 2023.

**Salary Increases during FY24:** The 2023 General Assembly has approved salary increases to be effective July 1, 2023 of 5% across-the-board for all constitutional officers and their Compensation Board funded permanent staff positions. Implementation of this increase requires the governing authority to use the increased funds to support salary increases for constitutional officers and their employees, such that localities must provide or have already

provided salary increases of at least 5% of Compensation Board salary levels within the FY23-FY24 biennium in order to meet legislative intent. The Compensation Board will increase the minimum and maximum salaries of its pay bands for constitutional officer employees by 5% effective July 1, 2023. There are no performance-based increases approved for FY24. **New Compensation Board base salary amounts effective July 1, 2023 are shown in the May 1 budget and will be available for review in the Compensation Board's COIN personnel processing system in June, 2023**

- **Automatic Regrades from Grade 7 to 8 for Sworn Deputies and Jail Officers (RBL):** Automatic re-grades from grade 7 to grade 8 for deputy sheriffs and regional jail officers occur on the first of the month on or after the one-year anniversary of the date of hire into a grade 7 position and are accompanied by a 4.56% salary increase.

#### **Career Development Programs, FY24**

The 2023 General Assembly did not approve additional funding to support further participation in any career development program in FY24. However, salary increases for newly funded participation in FY24 are approved effective July 1, 2023 in some cases where existing funds have accrued through attrition of former funded participants. Salary increases for newly funded participants using existing program funding through attrition are included in the salaries listed in the FY24 budget provided on May 1, 2023.

- **Sheriffs' Career Development Programs:** The Career Development Program includes two tracks: one for sheriffs whose offices are accredited by certain law enforcement standards committees/associations and one for sheriffs achieving certification with Virginia Commonwealth University. For FY24, 51 officers have qualified for the Career Development Program and have received a 9.30% salary increase effective July 1, 2023, including 5 newly funded officers using funds from attrition of former participants. Existing funding is insufficient to fund 3 Sheriffs newly certified for FY24.
- **Master Deputy/Jail Officer Programs:** The 2013 General Assembly eliminated language that suspended the Master Deputy/Jail Officer programs and restricted participation to pre-2010 participants, and restored some previously reduced funds allowing participation at reduced levels using attrition funding. The 2017 General Assembly approved additional funding for further participation in the programs, allowing for full funding of the program for pre-2010 participating offices and for new offices certifying their participation through FY24.

For future participation by additional offices, budget language still requires that any office wishing to opt-in to participate in the Master Deputy/Jail Officer programs will need to notify the Compensation Board by July 1 that they have established the Program in their office, recognizing that additional funds will need to be requested for appropriation to the Compensation Board by the General Assembly.

- **Career Prosecutor Program:** The 2013 General Assembly eliminated language that suspended the program and restricted participation to pre-2010

participants, and restored some previously reduced funds. A total of 128 Career Prosecutors continue to be funded in the program in FY24, and 28 new Career Prosecutors are funded in the program in FY24 effective July 1, 2023 through available attrition savings. Existing funding is insufficient to fund 4 Career Prosecutors newly certified for FY24.

- **Treasurers and Commissioners of the Revenue Career Development Programs:** The 2013 General Assembly eliminated language that suspended the programs and restricted participation to pre-2010 participants, and restored some previously reduced funds. A total of 75 Treasurers and 67 Commissioners continue to be funded in the programs in FY24, and 3 new Treasurers and 3 new Commissioners are funded in the programs in FY24 effective July 1, 2023 through available attrition savings. Existing funding is insufficient to fund 7 Treasurers and 1 Commissioner newly certifying for FY24.
- **Deputy Treasurers and Deputy Commissioners of the Revenue Career Development Programs:** The 2013 General Assembly eliminated language that suspended the programs and restricted participation to pre-2010 participants, and restored some previously reduced funds. A total of 212 Deputy Treasurers and 218 Deputy Commissioners continue to be funded in the programs in FY24 and 17 new Deputy Treasurers and 25 new Deputy Commissioners are funded in the program in FY24 effective July 1, 2023 through available attrition savings. Existing funding is insufficient to fund 18 Deputy Treasurers newly certified by their Officers for FY24.
- **Circuit Court Clerks' Career Development Plan:** A total of 28 Circuit Court Clerks continue to be funded in the program in FY24, and 3 new Circuit Court Clerks are funded in the program in FY24 effective July 1, 2023 through available attrition savings. Existing funding is insufficient to fund 1 Circuit Court Clerk newly certified for FY24.
- **Deputy Circuit Court Clerks Career Development Plan:** A total of 171 Deputy Circuit Court Clerks continue to be funded in the program in FY24, and 12 new Deputy Circuit Court Clerks are funded in the program in FY24 effective July 1, 2023 through available attrition savings. Existing funding is insufficient to fund 16 Deputy Circuit Court Clerks newly certified by their Clerk for FY24.

#### **Other Funding Items, FY24**

- **Technology Trust Funds:** The 2022 General Assembly approved restoration of \$0.98 million to offset previous general fund budget reductions beginning in FY23 for the general operating budgets of Circuit Court Clerks' offices; consequently, the Compensation Board will no longer need to utilize a like amount of Technology Trust Funds (TTF) to offset general operating budget reductions in FY23 and beyond.

- **Office Equipment Funding:** No funding has been provided for office equipment in the approved budget for Constitutional Officers for FY24. For Sheriffs and Regional Jails, requests for Livescan/upgrades previously considered by the Compensation Board through the budget approval process will now be considered on an individual basis and presented as a docket request item at the Compensation Board's regularly scheduled monthly board meetings. Sheriffs and Superintendents are reminded that the Board may consider one-time transfers of an office's accrued vacancy savings to fund its livescan/upgrade needs. (Note for Clerks: Technology Trust Funds are not a part of your base budget funds and budgeting is handled separately in the months of August and September).
- **Training Events:** Additional allowance funding is not available for the reimbursement of attendance at non-Compensation Board-sponsored training events such as VALECO and the Association's annual meeting. However, attendance at these events is considered a reimbursable expense if funds are available in your budget. All Officers will continue to be reimbursed for the approved travel-related expenses associated with attending Compensation Board-sponsored training events such as Lawful Employment and New Officer Training.

#### **Transfer Policy, FY24**

- **Vacancy Savings:** Policies restricting transfers of accumulated vacancy funds to other budget categories for one-time use for all Constitutional Officers are not required for FY24 at this time.
  - Officers who wish to leave permanent positions vacant for the entire fiscal year and transfer the funds to temporary salaries or office expenses should submit their requests to the Compensation Board not later than July 10 for Compensation Board action on July 27. Offices requesting to transfer annual salary amounts for medical and food service contracts must provide information regarding the costs of such contracts. **Offices requesting to transfer annual salary amounts from Behavioral Health Case Manager positions must provide information regarding how these case management services are being provided in the jail with the transferred funds utilized in another budget category.**
- **Turnover:** Turnover funds are not currently restricted and can be used by all offices for restoration to prior base salary amounts for positions with salaries reduced due to previous across-the-board budget reductions, through April 15, 2024 and prior to the May 1 setting of the budget for a subsequent fiscal year.
- **Base transfers:** Base budget transfers of turnover funds to other budgeted categories may be considered under special circumstances in FY24. Base budget transfers within other budget categories can be requested by all offices but require Compensation Board action.

- **One-time transfers:** One-time transfers can be made by all offices as follows:
  - From Vacancy Savings, Temporary or Office Expenses to Equipment (not in the base) but transfers require Compensation Board action;
  - Between Temporary and Office Expenses or from Vacancy savings to one of these categories, not to exceed \$10,000 per month (not in the base); amounts requested for transfer above \$10,000 per month require Compensation Board action.

#### **Other Funding Policies, FY24**

- **5% Salary Amount and Transition of 5% VRS Member Contribution to Officer/Employee related to Chapter 822, 2012 Acts of Assembly (SB497 of 2012 General Assembly) – Non-Supplanting Language:** While not a matter of Compensation Board policy, during the reconvened session of the 2013 General Assembly, a Governor’s amendment was approved preventing local governments from using Compensation Board funding to supplant local funds provided for the salaries of constitutional officers and their employees under the provisions of Chapter 822, 2012 Acts of Assembly, who were affected members in service on June 30, 2012. In accordance with the provisions of SB497 from the 2012 Session of the General Assembly (aka Chapter 822, 2012 Acts of Assembly), localities provided a 5% salary increase (unless phasing-in) on July 1, 2012 to constitutional officers and their employees to offset the transition of the payment of the 5% member contribution to VRS for retirement premiums from the locality to the employee. Any Compensation Board funded salary increase funds cannot be used to offset the 5% salary increase amount (or phase-in amount) funded by the locality in association with this VRS contribution change. This language regarding non-supplanting of local funds does not apply to any salary supplement amounts provided by localities that exceed the 5% increase related to the VRS member contribution amount, nor does it apply to employees hired into a Compensation Board funded position after July 1, 2012 (or after July 1, 2010 if “plan 2” employees have been required to pay their own 5% member contribution since that time).
- **Required Data Submissions:** Language was approved by the 2014 General Assembly requiring that all law enforcement agencies receiving funding from the Compensation Board (including local and regional jails) provide the necessary data and meet the necessary data requirements to participate in the Statewide Automated Victim Information and Notification System (SAVIN), administered for the Commonwealth’s jails through the Virginia Center for Policing Innovation.
- **Constitutional Officers’ VRS Retiree Health Care Credit Premium Recovery:** Included in the Appropriation Act for FY24 is continued language requiring that 100% of the unfunded amount of the Compensation Board’s payment for the retiree health care credit premium on behalf of Constitutional Officers and their employees to the Virginia Retirement System be recovered from payments made to localities. The recovery amount is estimated at a statewide total of \$1,393,343 and the Compensation Board is appropriated base funding of just under \$1.71 million in FY24 to pay the difference

between the recovery amount and the estimated premium amount of \$3.10 million in FY24. Distribution of the recovery amount for the retiree health care credit is based upon a prorated amount projected for each office based upon prior year actual costs, and does not include recoveries on behalf of Directors of Finance, Regional Jails, or localities not participating in the Virginia Retirement System. Changes in estimated costs for FY24 based upon actual FY24 costs may result in a change to each office's estimated recovery amount. Each office's related cost is anticipated to be recovered from the July payroll reimbursement amount prior to fund transfer to the locality.

- **Division of Risk Management Liability Insurance/Surety Bond Premium Recovery:** Included in the Appropriation Act for FY24 is continued language requiring that 100% of the amount of the Compensation Board's payment for liability insurance and surety bond premiums on behalf of Constitutional Officers and their employees to the Division of Risk Management (DRM) be recovered from payments made to localities. Since FY17, budget language requires that DRM identify premium amounts by office, incorporating factors such as claims history, staffing, and average daily jail populations, and results in a different distribution of premium recovery amounts by office than the previous distribution based upon staffing levels. For FY24, the total VARISK general liability premium will remain unchanged, however, every office's proportion of the total will change somewhat in FY24 based upon these factors; some offices will see an increase in their premium amounts, while other offices will see a decrease. Estimates of the FY24 recovery amounts reflecting these changes were provided on March 10, 2023. Each office's related cost is anticipated to be recovered from the July payroll reimbursement amount prior to electronic transfer of funds to the locality. However, budget language allows for recoveries to occur in more than one month if necessary.
- **Body Worn Camera Local Funding Language:** The 2019 General Assembly approved language based on a recommendation of the 2018 Body Worn Camera study work group establishing guidelines for staffing requirements by localities for Commonwealth's Attorneys' offices to provide funding to support one Assistant Commonwealth's Attorney for every 75 body worn cameras employed by local law enforcement officers, but allows for any locality to implement alternative staff funding with the consent/agreement of the Commonwealth's Attorney. Any agreed upon funding formula between the impacted Commonwealth's Attorney and the locality employing body worn cameras shall be filed with the Compensation Board by July 1 of each year and shall remain in effect unless modified by the agreement of both parties until June 30th of the following year. Additional information regarding reporting for this requirement for FY24 will be provided in a separate communication.
- **Withholding of Reimbursements:** Language in the Appropriation Act provides that the Compensation Board is authorized to withhold reimbursements due the locality for sheriff and jail expenses upon notification from the Superintendent of State Police that there is reason to believe that crime data reported by a locality to the Department of State Police in accordance with §52-28, Code of Virginia, is missing, incomplete or incorrect. Upon subsequent notification by the Superintendent that the data is accurate, the Compensation Board shall make reimbursement of withheld funding due

the locality when such corrections are made within the same fiscal year that funds have been withheld.

- **Withholding language** was also approved by the 2015 General Assembly and amended by the 2016 General Assembly to provide that the Compensation Board is also authorized to withhold reimbursements due the locality for sheriff and jail expenses if a Sheriff fails to self-certify his or her compliance with the information transmittal requirements for the Sex Offender and Crimes Against Minors Registry. Any funds withheld shall be reimbursed once the Sheriff makes the proper certification regarding compliance when the certification is made within the same fiscal year that funds have been withheld.
- **June Payroll Shift:** Based upon action by the 2002 General Assembly, the Compensation Board's reimbursement cycle for fiscal year payroll and expenses has permanently changed. While the Compensation Board has always reimbursed expenditures one month in arrears, prior to FY02 it included an accelerated schedule in June to reimburse both May and June expenditures prior to the end of the fiscal year. In FY02, localities did not receive a reimbursement for June expenditures. Instead, June 2002 expenditures were reimbursed in the month of July 2002, or the beginning of FY03. In FY03, localities received reimbursements for the months of June through May. Since FY04, this reimbursement schedule has remained the same, with localities receiving reimbursement payments for the months of June through May in the months of July through June. This has not changed the budget cycle for the fiscal year, however, which is still established on a fiscal year cycle, beginning July 1 and ending June 30. Because of this change, officers should keep in mind that expenditures in the month of June of each year will be reimbursed out of budgeted funds available for the following fiscal year and could result in a delay in reimbursement of expenditures in the later months of the fiscal year.

#### **Requests for Additional Compensation Board Funding**

- Due to funding limitations, requests for additional funding in any budget category are unlikely to be approved during FY24. The Compensation Board reserves the right to make future budget adjustments as may be necessary to limit expenditures in the case of reduced appropriation balances that emerge at a later date.

## **Exceptions**

- The Compensation Board will consider exceptions to these policies upon written request of Constitutional Officers, Finance Directors or Jail Superintendents.

If you have further questions, please contact a member of the Compensation Board staff:

County Sheriffs – Brian Bennett – 804-225-3443, [brian.bennett@scb.virginia.gov](mailto:brian.bennett@scb.virginia.gov);  
City Sheriffs and Regional Jails - Donna Foster – 804-225-3435,  
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Commonwealth’s Attorneys and Circuit Court Clerks – Paige Christy – 804-225-3475,  
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Treasurers, Commissioners of the Revenue & Finance Directors – Joan Bailey – 804-225-3351, [joan.bailey@scb.virginia.gov](mailto:joan.bailey@scb.virginia.gov);

Clerks’ Technology Trust Funds – Charlotte Lee – 804-225-3366,  
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All Officers

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Local Governments

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